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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/396,005	09/13/1999	KHAI HEE KWAN		6815
23336	7590	05/18/2006		
KHAI HEE KWAN 315 AVOCA ST. RANDWICK, 02031 AUSTRALIA			EXAMINER REAGAN, JAMES A	
			ART UNIT 3621	PAPER NUMBER

DATE MAILED: 05/18/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

DETAILED ACTION

Status of Claims

1. This action is in reply to the supplemental response filed on 25 February 2006.
2. Claim 29 has been amended.
3. Claims 32-47 have been added.
4. Claims 15-25, 27, and 28 have been cancelled.
5. Claims 29, 32, 37, 42, and 47 have been cancelled by Examiner's Amendment below.
6. Claims 13, 14, 26, 32-46 have been examined.

EXAMINER'S AMENDMENT

7. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.
8. Authorization for this examiner's amendment was given in a telephone interview with Chris Kwan on 01 May 2006.
9. The application has been amended as follows:
 - Cancel claims 29, 32, 37, 42, and 47.

RESPONSE TO ARGUMENTS

10. Applicant's arguments received on 25 February 2006 have been fully considered but they are not persuasive. Referring to the previous Office action, Examiner has cited relevant portions of the references as a means to illustrate the systems as taught by the prior art. As a means of providing further clarification as to what is taught by the references used in the first Office action, Examiner has expanded the teachings for comprehensibility while maintaining the same grounds of rejection of the claims, except as noted above in the section labeled "Status of Claims." This information is intended to assist in illuminating the teachings of the references while providing evidence that establishes further support for the rejections of the claims. Applicant's arguments with respect to claims have been considered but are moot in view of the new ground(s) of rejection

Allowable Subject Matter

11. Claims 26, 36, and 41 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Claim Rejections - 35 USC § 103

12. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said

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subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

13. Claims 13, 14, 32-35, 37-40, and 42-46 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rosen (US Patent No. 5,455,407) in view of Jennings et al. (US 5,659,165 A).

Examiner's Note: The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Claims 13, 34 and 39:

Rosen discloses the following limitations (see at least Abstract; Background/Summary of the Invention; Fig 3-10; associated text; Fig 34-36a, 36-36a and 46-46a, associated text; C2, L42-45: "common payer to payee"; C8, L52—62: "a subscriber will not be required to maintain a bank account"):

- *prompting payer to input payer's account identifier and password;*
- *authenticating the said payer's account identifier and password for validity;*
- *prompting the payer to input payee's account identifier and fund transfer information;*
- *receiving said payee's account identifier and fund transfer information;*
-

Rosen does not disclose the following claims, but Jennings, in at least column 2, lines 30-50 discloses an instantaneous transfer of funds from one account to another without the recipient being involved in the transfer, thereby disclosing the following limitations:

- *upon authenticating the payee's account identifier, instantly crediting the fund to payee's account if the balance in the database associated with the payer account identifier and password is more than the fund for transfer;*
- *instantly debiting the balance associated with the payer's account identifier and password in the database with the said fund transferred to payee's account;*
- *whereby said transfer is made without interacting with payee;*

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of Rosen with Jennings' instantaneous funds transfer because it provides direct support to Rosen's disclosures, "...there is a need for a system that allows common payor to payee economic exchanges without the intermediation of the banking system, and that gives control of the payment process to the individual. Furthermore, a need exists for providing a system of economic exchange that can be used by large organizations for commercial payments of any size, that does not have the limitations of the current EFT systems (Rosen: column 2, lines 42-49)."

Claims 14, 35, and 40:

Rosen further discloses (see all above citations):

- *prompting user to enter security code associated with the prepaid card;*
- *receiving the security code;*
- *determining if the security code is valid;*
- *determining if any identifier account is associated with the security code;*
- *if there is no account identifier associated with said code then prompt user to enter a unique user account identifier, password, storage period and currency to be stored;*
- *receiving the said user account identifier, password, storage period and currency as input by user;*
- *determining said user account identifier and password for uniqueness against other stored user account identifiers and passwords;*

- *calculating the stored value;*
- *output stored value to user; and*
- *if said user account identifier, password combination is unique and stored value is acceptable to user then add said account identifier and password into database linked with the stored value amount;*

Rosen does not specifically disclose:

- *if said user account identifier, password combination is not unique and stored value is acceptable to user then link the stored value amount to said existing user account identifier and password in the database;*
- *whereby upon completion of storing and linking said prepaid card is valueless.*

However, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include linking the account because it would serve to thwart any possible fraudulent use of an existing user's account upon the pretext of adding more stored value to it and activating a new prepaid card. It would have also been obvious for one ordinarily skilled in the art at the time the invention was made to have included an activation method as claimed in a system based on Rosen in order to provide a stronger protection element to the debit/stored value card system because the card user will be assured that only once properly activated by him herself, will the account associated with the card be accessible for transactions.

Claims 33, 38, and 43:

The combination of Rosen/Jennings discloses the instant payment system as shown above. Rosen/Jennings does not disclose *said payer is unknown to host server*. However, the Examiner takes **Official Notice** that it is old and well-known in the online transactional arts to provide anonymity to payers and payees during a monetary transfer because anonymous transactions protect the privacy of transacting parties.

Claims 44, 45, and 46:

The combination of Rosen/Jennings discloses the instant payment system as shown above. Rosen/Jennings does not disclose *providing at least one point of sale terminal adapted to issue prepaid card and connected to said host server*. However, the Examiner takes **Official Notice** that Point of Sale machines and card dispensing machines are old and well-known in the transactional arts.

Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the Examiner should be directed to **James A. Reagan** whose telephone number is **571.272.6710**. The Examiner can normally be reached on Monday-Friday, 9:30am-5:00pm. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **James Trammell** can be reached at **571.272.6712**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at **866.217.9197** (toll-free).

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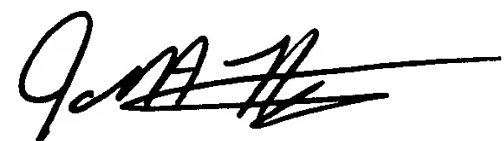
Alexandria, VA 22314.

JAMES A. REAGAN

Primary Examiner

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11 May 2006



**JAMES A. REAGAN
PRIMARY EXAMINER**